
Closed to the Public

Public Utilities Commission of the State of California

***Ratesetting Deliberative Meeting Agenda No. 37
Monday, November 4, 2002, 1:30 p.m.
San Francisco, California***

Commissioners
Loretta M. Lynch, President
Henry M. Duque
Carl W. Wood
Geoffrey F. Brown
Michael R. Peevey

This Ratesetting Deliberative Meeting will commence at the above date and time and may be continued from day to day up to the convening of the November 7, 2002, Business Meeting.

Website: <http://www.cpuc.ca.gov>

Ratesetting Deliberative Meetings
1:30 p.m.
Room 5305
505 Van Ness Avenue, San Francisco

For further information contact the Public Advisor
Phone: (415) 703-2074 E-mail: public.advisor@cpuc.ca.gov

AGENDA

(Item numbers correspond to the November 7 Business Meeting Agenda numbers.)

NOTE: Ex Parte Communications are prohibited on Agenda Items 1147, 1151, 1230, 1252, 1150, 1246, 1209, and 1293 from the day of the Ratesetting Deliberative Meeting through the conclusion of the Business Meeting at which a vote on the Proposed Decisions is scheduled. (Rule 7(c)(4)).

1147 R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of Direct Access (DA) pursuant to Assembly Bill 1X and D01-09-060.
This decision addresses the issue of DA customers' cost responsibility and related ratemaking issues that arise as a result of the suspension of DA as ordered in D02-03-055. This decision establishes mechanisms to implement surcharges for 2003 applicable to DA customers within the service territories of California's three major electric utilities.
(Comr. Brown/Comr. Wood – ALJ Pulsifer)
Pub. Util. Code § 311(d) – This item was mailed for Public Comment.
Pub. Util. Code § 1701.1 – This proceeding is categorized as Ratesetting (Agenda 3098, Item 5, 10/24/02 (Peevey))

1151 R02-01-011 - ALTERNATE ORDER TO ITEM 1147.
The alternate decision differs from the proposed draft decision by not adopting a Direct Access surcharge cap at this time. Rather, this alternate defers consideration of a DA CRS cap to the first annual update.
(Comr. Wood)
(Agenda 3098, Item 5a, 10/24/02 (Peevey))

1230 R02-01-011 - ALTERNATE ORDER TO ITEM 1147.
This alternate order differs from the administrative law judge's proposed decision in that customers that have their Direct Access Service Requests submitted prior to July 1, 2001 will be exempt from the Power Charge portion of the Cost Responsibility Surcharge.
(Comr. Peevey)
(Agenda 3098, Item 5b, 10/24/02 (Peevey))

1252 R02-01-011 - ALTERNATE ORDER TO ITEM 1147.

This alternate differs from the proposed decision in the following ways: 1) Adopts a cap on direct access (DA) cost responsibility surcharge of 4 cents, rather than 2.7 cents/kwh; 2) Uses the utilities' rate of return on rate base to set the interest rate on bundled customers funds which are used to pay DA revenue shortfalls resulting from the cap, since these funds may not be repaid for many years; 3) Seeks comments on the need for a higher cap for San Diego Gas & Electric Company (SDG&E) or alternative ways of mitigating the SDG&E's high DA cost responsibilities in early years.

(Comr Lynch)

(Agenda 3098, Item 5c, 10/24/02 (Peevey))

1150 A00-10-045 - San Diego Gas & Electric Company (SDG&E).

For an order implementing Assembly Bill (AB) 265. A01-01-044 – Related matter. This decision addresses the request of SDG&E to impose a surcharge on customers to recover the AB 265 undercollection.

(Comr. Wood – ALJ Wong)

Pub. Util. Code § 311(d) – This item was mailed for Public Comment.

Pub. Util. Code § 1701.1 – This proceeding is categorized as Ratesetting.

(Agenda 3098, Item 7, 10/24/02 (Duque))

1246 A00-10-045 - ALTERNATE ORDER TO ITEM 1150.

This alternate adopts the settlement of federal litigation proposed by San Diego Gas & Electric Company (SDG&E) on June 14, 2002. Based on the outcome of the settlement, SDG&E's request for a surcharge is denied.

(Comr Peevey)

(Agenda 3098, Item 7a, 10/24/02 (Duque))

1209 A02-05-022 – Pacific Gas and Electric Company (PG&E).

For authority to establish its authorized rates of return on common equity for electric utility operations and gas distribution for test year 2003. A02-05-025, A02-05-026, A02-05-031 – Related matters. This decision establishes a test year 2003 return on equity for PG&E, Southern California Edison Company, Sierra Pacific Power Company, and San Diego Gas & Electric Company. This proceeding remains open to tune up PG&E's return on equity upon its implementing a plan approved by the bankruptcy court that enables it to emerge out of bankruptcy.

(Comr Brown, Comr Peevey - ALJ Galvin)

Pub. Util. Code § 311(d) – This item was mailed for Public Comment.

Pub. Util. Code §1701.1 – This proceeding is categorized as Ratesetting.

1293

A02-05-022 - ALTERNATE ORDER TO ITEM 1209.

This alternate decision differs from the proposed decision of the administrative law judge in that it leaves the utilities' return on equity at the levels rather than authorizing an unnecessary increase in the rates of return.
(Comr Lynch)